

CALIFORNIA MEDICAL ASSISTANCE COMMISSION

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**CALIFORNIA MEDICAL ASSISTANCE COMMISSION**

State Capitol, Room 113
Sacramento, CA

Minutes of Meeting

September 22, 2005

COMMISSIONERS PRESENT

Marco Firebaugh
Diane M. Griffiths
Teresa P. Hughes
Vicki Marti
Lynn Schenk
Cathie Bennett Warner

CMAC STAFF PRESENT

Paul Cerles
Enid Barnes
Theresa Bueno
Denise DeTrano
Holland Golec
Steve Soto
Michael Tagupa
Mervin Tamai
Carol Tate
Karen Thalhammer

COMMISSIONER ABSENT

Nancy E. McFadden, Chair

EX-OFFICIO MEMBERS PRESENT

Bob Sands, Department of Finance
Toby Douglas, Department of Health Services

I. Call to Order

The September 22, 2005 open session meeting of the California Medical Assistance Commission (CMAC) was called to order by Commissioner Cathie Bennett Warner. A quorum was present.

II. Approval of Minutes

The September 8, 2005 meeting minutes were approved as prepared by CMAC staff.

III. Executive Director's Report

Mr. Cerles delivered the Executive Director's report in Mr. Berger's absence. He reported that there were no new requests from hospitals or health plans to appear before the Commission in closed session at this time.

Mr. Cerles provided an update on the hospital financing waiver and funding legislation. Mr. Cerles indicated that the State is still waiting for the Governor to sign the hospital financing bill (SB 1100), and that CMAC staff has had several preliminary meetings with DHS staff to study the elements of the bill.

Mr. Cerles indicated that CMAC staff is currently developing language to modify the Selective Provider Contracting Program (SPCP) contracts for the 22 designated public hospitals to create a method of payment through Certificated Public Expenditures (CPE). Staff is anticipating changes to the SPCP supplemental payment programs and is reviewing the structure of the Distressed Hospital Fund.

Mr. Cerles asked Mr. Douglas to give the Commission an update on DHS' prospective on the new proposals.

Mr. Douglas indicated that DHS staff is working on three state plan amendments related to the new 1115 Demonstration Project for hospital financing for CMS' review and approval.

Mr. Douglas indicated that the State is contesting the language in Centers for Medicare & Medicaid Services' (CMS') proposal related to the CPE. DHS is sharing its information with the hospitals and gathering comments and suggested changes, to what is required of the CPE to draw down federal funding. DHS is also working on the baseline payments of 2004-05 for the 22 designated public hospitals that will be used in the CPE methodology.

In concluding his report, Mr. Douglas indicated that DHS will continue to work with CMS on the implementation.

IV. Medi-Cal Managed Care Activities

Mr. Cerles stated that staff continues to work with the Healthy San Diego plans on new rates and hopes to implement new contracts effective January 1. CMAC staff anticipates having these contracts to the Commission at the first Commission meeting in November.

V. New Business/Public Comments/Adjournment

Mr. Cerles requested that Mr. Douglas keep Counsel Denise DeTrano advised regarding implementation determinations.

There being no further new business and no additional comments from the public, Commissioner Bennett Warner recessed the open session. Commissioner Bennett Warner opened the closed session, and after closed session items were addressed, the closed session was adjourned and the Commission reconvened in open session. Commissioner Bennett Warner announced that the Commission had taken action on hospital contracts and amendments in closed session. The open session was then adjourned.